



**PARAGON MORTGAGES PRESS RELEASE  
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## **INTERMEDIARIES REMAIN THE MOST POPULAR CHOICE FOR BUY-TO-LET INVESTORS**

- 6% increase in landlords who prefer to source buy-to-let finance from intermediaries
- Large-scale landlords more likely to make exclusive use of intermediaries
- 60% of landlords agree intermediaries are valuable in finding the best buy-to-let deals

The latest landlord research from specialist buy-to-let mortgage lender, Paragon Mortgages, revealed landlords prefer to source buy-to-let finance via intermediaries.

The lender's Private Rented Sector Trends survey, which has been tracking landlord confidence and views on the buy-to-let market for 20 years now, reported more than a third (36%) of landlords in Q4 preferred to source buy-to-let finance exclusively via intermediaries. This is a 6% increase over the past three months, up from 30% of landlords in Q3.

In comparison, 23% of landlords in the last quarter of 2014 preferred to source buy-to-let finance directly from lenders, and 23% sourced through a mix of intermediaries and lenders, which reduced from 28% in Q3.

Large-scale landlords – those with five or more properties, were more likely to prefer to source all their buy-to-let finance via intermediaries - 40% compared with 23% of small-scale landlords (those with up to five properties). Small-scale landlords on the other hand were almost twice as likely to source buy-to-let finance directly through a lender – 35% compared with 19% of large-scale landlords.

Some 60% of landlords agreed that intermediaries provide a valuable service in finding the best buy-to-let deals, in comparison with only 6% who disagreed. Additionally, more than four out of ten landlords (42%) surveyed said that sourcing directly through a lender is only suitable for the more simple buy-to-let propositions.

John Heron, Managing Director of Paragon Mortgages, said: "Although the market has seen strong growth this year, many landlords remain cautious, particularly in view of interest rate expectations, the weaker conditions that we have seen in the housing market and the disruption we are likely to see around the general election in 2015. When combined with the positive benefits that professional mortgage advice can bring, it is no surprise to see landlords turning more to the intermediary sector in less certain times.

"Landlords, especially those newer to the market, recognise the benefits of using a trusted, experienced and knowledgeable broker to help source their finance. Brokers have always been key to the buy-to-let mortgage market and will continue to be, going by this research, for as far ahead as we can see."

### **ENDS**

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#### **NOTES TO EDITORS**

Paragon Mortgages is a leading provider of buy-to-let mortgages delivering lending solutions designed for professional landlords with more complex requirements. These include lending to limited companies as well as private individuals, lending on more complex property including HMO's and multi-unit blocks, higher aggregate lending limits and the ability to accommodate more complex letting arrangements including local authority leases and corporate leases along with standard ASTs.

Paragon Mortgages introduced its first product aimed at the professional property investor in 1995 and is a member of the Council of Mortgage Lenders (CML), the Intermediary Mortgage Lenders Association (IMLA), National Landlords Association (NLA) and the Association of Residential Letting Agents (ARLA).

Paragon Mortgages is part of The Paragon Group of Companies, a FTSE 250 company and a specialist provider of finance.

In February 2014 Paragon Group launched its banking subsidiary, Paragon Bank PLC. It is a retail-funded lending bank with a direct-to-consumer Internet platform for savings. Its loan products are distributed via intermediaries. The Bank is authorised and regulated by the Prudential Regulation Authority and the Financial Conduct Authority.